

Michiganians. Over the summer, GE announced that it plans to relocate over 300 jobs from Wisconsin to Canada as a result of the Ex-Im Bank closing its doors. When this happened, my office was flooded with inquiries from a number of constituents concerned about what would happen to their communities and their own job security if a similar decision was made in Michigan. In the months since Ex-Im Bank's authorization has lapsed, GE has signed deals with export credit agencies in competitor foreign nations, creating jobs abroad instead of right here in the United States.

As a Senator from a State with world-class engineering and manufacturing talent, I am frankly appalled by these developments, especially when we have already seen the benefits that the Bank has produced for Michigan's economy and workers in my State as well as across the country.

The work done by the Ex-Im Bank is especially critical to Michigan manufacturers who fight to compete with countries using extreme and unfair measures such as direct subsidies or currency manipulation to boost their own manufacturing sectors. According to Ex-Im Bank's most recent annual report, there are 85 other competing foreign-sponsored export credit agencies helping their own domestic companies better compete on the global stage. Other countries, including China, Japan, South Korea, the United Kingdom, Canada, and Germany, use their own export credit agencies to boost their country's exports.

China, in fact, provided more financing through its export credit agency in the last 2 years—approximately \$670 billion—than our own Ex-Im Bank has offered in its entire 81-year history. These export financings are expected to significantly increase in coming years, which means that American firms and workers could fall further behind if we do not act now.

Without our own Export-Import Bank, American businesses will struggle to compete overseas and our economy will suffer. As global competition intensifies, it simply makes no sense to engage in unilateral disarmament. We must stop the self-inflicted wounds on our economy. We must pledge to our constituents that we will first do no harm, and we must stop letting ideology impair our economic growth.

I am pleased that a bipartisan, bicameral group of Senators and Representatives are saying that enough is enough, and are working to move a reauthorization forward. I am looking forward to working with them to get this done as soon as possible. Too much time has already been wasted, and too many jobs have already been jeopardized. We have to get back to the business of working together to find commonsense solutions to help, not hamper, our economic growth in America. Passing a long-term reauthorization of the Export-Import Bank is a great way to start.

Once the House passes the reauthorization next week, I urge my colleagues in the Senate to schedule a vote as soon as possible. We know we have the votes. The legislation the House will soon consider is identical to an amendment passed by the Senate with a vote of 64 to 29 in July while considering the long-term highway bill. We should do this now because there is not a moment to lose. American jobs hang in the balance.

Thank you, Mr. President.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. HATCH. Mr. President, I ask unanimous consent that the Senate be in a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEBT LIMIT DEADLINE

Mr. HATCH. Mr. President, we are apparently pressing another deadline with regard to the statutory debt limit. I am reminded of the old paradoxical proverb: "The more things change, the more they stay the same."

We have dealt with the debt limit here in Congress on numerous occasions, and while there are significant differences this time around, there are some things that just don't change, particularly when we are dealing with the Obama administration.

One thing that is different is that our national debt is higher than it has ever been before, more than \$18 trillion—an astronomical number, when you think about it. That is \$57,000 of debt for every U.S. citizen—every man, woman, and child from age 1 to 101. Just for the people in my State of Utah, which has a relatively small population, that means \$167 billion of debt.

As a share of our GDP, the debt is higher now than at almost any time with the exception of a brief period surrounding World War II. Yet, even though our debt has gotten further and further out of hand under this President, the administration's approach has not changed. As we all know, Treasury Secretary Lew recently sent a series of letters urging Congress to raise the debt limit. In his latest communication, he projected that on November 3, the Treasury will begin to run dangerously low on cash, creating an unacceptably high risk of having to delay payments.

Of course, we don't have an ability to verify that projection. Treasury has long been uncooperative in Congress's

efforts to get more information as to how they arrive at those specific dates. Don't get me wrong, I take the November 3 date very seriously. I think we all should, but given the lack of hard data shared by the Treasury regarding those projections and the fact that the date has in just the last few weeks moved around a little bit, I do understand why some people appear to believe this latest best guess from the Treasury is fun-
gible.

In addition to providing the November 3 deadline, the latest debt limit letter from Secretary Lew includes what has become a stale set of talking points punctuated by the admonition that "only Congress can extend the nation's borrowing authority." I know no one wants to hear a civics lesson, but given the administration's repeated attempts to assign all responsibility relating to the debt limit to Congress, it means that a short refresher about how a bill becomes law might be helpful.

No one disputes that Congress must act to extend the government's borrowing authority, but the President can also sign or veto any debt limit legislation we pass. The same is true of any legislation authorizing or appropriating spending increases or reductions. Congress writes and passes. The President signs legislation into law, and hopefully he does his best to enforce it. In other words, both Congress and the executive branch share responsibility with regard to the debt limit and our Nation's overall fiscal health. Unfortunately, rather than trying to work with Congress on these issues, the Obama administration has repeatedly chosen to try to deflect responsibility with misleading statements about the various burdens borne by the separate branches of government.

Sadly, the Treasury Secretary's tired arguments with regard to the debt limit are not the only problem. In fact, when you examine this administration's record, you will find that the problems are much worse than most want to admit. I am talking, of course, about the massive accumulation of debt we have seen under this administration, as well as the lack of leadership and willingness to work with Congress to address what we know are the main drivers of our debt.

As the nonpartisan Congressional Budget Office has repeatedly made clear, the main drivers of our debt are unsustainable promises in the Social Security benefit programs and unsustainable spending on the Federal Government's major health care programs, Medicare, Medicaid, health insurance subsidies under the Affordable Care Act, and others.

True enough, we have seen some deficit reduction in recent years. These days, the President and his allies are always quick to point that out. Of course, we know that these temporary reduced deficits have resulted predominantly from increased tax receipts and only modest spending restraint. Still, even with these reduced deficits, our

debt remains well above the historic average and is expected to grow even more in the near future as, according to CBO, our deficits will start to go back up in the next few years.

Our deficit this next year has been brought down but I would have to say mainly because of the work that we have done in the Congress to restrain the growth, the reconciliation act. Had we not done that, this administration would not have done anything. We would be in worse shape than we are.

Simply put, no one in this administration should be bragging about supposed fiscal responsibility. Under this administration, the outstanding public debt has risen by more than an astounding \$7.5 trillion, a 71-percent increase just since this person has become President. Once again, as a share of the economy, our current debt remains at levels that, with a very narrow and understandable exception, are heretofore unseen in modern U.S. history.

According to CBO, by 2025, Federal debt felt by the public will be roughly twice the average of the past 5 decades. As CBO says, "Such high and rising debt would have serious negative consequences both for the economy and for the Federal budget." Given this risky path of debt accumulation, CBO also warns on increasing risks of a Federal fiscal crisis. Unfortunately, those dire warnings have been ignored by this administration. Instead, the administration seems to believe that a temporary lull in deficits is a good time to accelerate spending, even though spending grew well above growth in the economy last fiscal year, all while they continued to ignore the growing crisis in our entitlement programs.

We still have approximately one-half trillion dollars of debt. They are bragging about that. When he was serving in the Senate and a different party controlled the White House, President Obama famously argued that an increase in the debt limit was a sign of leadership failure. Now his definition of leadership is to assign all responsibility to Congress for the debt limit.

When he was running as then-Presidential candidate Obama, he pledged not to kick the can down the road on reforming entitlements, particularly Social Security. Now, he shirks responsibility and his proposed solution to the most immediate problem with Social Security—the Disability Insurance Trust Fund—is to kick the can much further down the road without any changes or reforms to the program. We are just going to borrow from the already dysfunctional general Social Security fund to pay for Social Security disability insurance. My gosh, when does it stop?

I believe that the debt limit has and can play a role in promoting fiscal discipline. Historically, debates over the debt limit have provided opportunities to reexamine our fiscal outlook and, where necessary, make corrections. Debt limit votes give a voice to Mem-

bers of Congress who do not serve on committees that make the spending and tax decisions.

Unfortunately, as we contemplate another debt limit increase, President Obama does not see the need to even talk to Congress about our fiscal future. In fact, the administration won't even take a clear position on how much of an increase it believes is appropriate or how long it should last.

Common sense would indicate that the President would like Congress to extend the debt limit past next year's election. That would be a debt limit hike of about \$1 trillion, and \$1 trillion would mean more than \$3,000 per person in the United States just to get us through next year. Utah's share of that would be about \$9 billion. Yet while the President undoubtedly wants at least that much of an increase, he refuses to make any such desire known.

Instead, we have gotten vague demands that borrowing authority be extended by certain dates and threats to veto any such extension that comes with even modest spending reforms. Essentially, President Obama's position is it's my way or the highway, but oddly enough, he does not want to explicitly define what his way is, and he repeatedly argues that he plays absolutely no role and bears no responsibility in getting us there. It is absurd, absolutely absurd.

Make no mistake, I don't want to see a default. Default on U.S. Treasury securities and failure to pay Federal obligations, which, by the way, are two separate things, is not a desirable or acceptable outcome. Ultimately, I don't believe Congress should shirk its responsibilities, even if President Obama refuses to acknowledge his.

Let's be clear. Neither the administration's uncompromising stance on fiscal reforms nor its selective use of information about our Nation's debt are productive. The President's refusal to work with Congress on a path forward and to share information about our Nation's finances is irresponsible brinksmanship. I want to talk about that information sharing for a few minutes because it is an important part of this continual impasse between Congress and the administration when it comes to the debt limit.

When we talk about our Nation's debt, there are other policy matters in play besides the periodic actions taken to raise the debt limit. The administration is charged with managing the debt in a responsible and effective manner. Toward that end, it has the obligation to preserve the integrity of Treasury securities markets. Congress has the duty to exercise oversight of these activities. As chairman of the Senate committee with jurisdiction over these issues, I have to say that when it comes to accountability and transparency on these matters, a great deal of improvement is necessary. That is putting it kindly.

For example, each time the debt begins to approach the statutory limit,

the administration makes a lot of noise about how it is difficult to deal with delayed payments on Treasury securities. Please note that I am talking about payments on securities, not general payment obligations of the Federal Government for spending programs, which is all together a separate matter. A number of scenarios could give rise to delayed payments on Treasury securities.

One of those scenarios is a debt limit impasse between Congress and the administration, but there are others, including weather events, cyber or terrorist attacks, or any number of known risks, that responsible debt managers must take into account. We know for a fact that the Treasury Department and the Federal Reserve have developed contingency plans for these types of risks.

The existence of such plans has been made public in minutes of the Federal Reserve's Federal Open Market Committee and in minutes of meetings involving Fed and Treasury officials and representatives of large financial firms. However, the administration has flat out—flat out—refused to share those contingency plans with Congress or to even openly acknowledge their existence.

I have been the lead Republican on the Senate Finance Committee since January 2011. I have been asking to see those plans since the summer of 2011. Over more than 4 years and through multiple requests for information, I have been told a number of things, usually stories that end with the claim that, even though plans have been discussed, nothing has ever been formalized.

So there are really only two plausible conclusions to be drawn: Either the administration is being dishonest with Congress and they have contingency plans in place, or the administration is being irresponsible by failing to account for the obvious potential risks. Apparently, they are comfortable with Congress, not to mention the American people, reaching either one of those conclusions if it means they don't have to share more information.

Simply stated, there is no reason for Treasury and the Fed, along with large financial firms participating in the Treasury securities markets, to formulate contingency plans for these markets without reporting them to Congress or sharing them with the Senate Finance Committee—no reason whatsoever. Yet here we are. Sadly, this lack of transparency does not end with obviously needed contingency plans. As I alluded to earlier, Treasury also shares very little information with Congress concerning cash forecasts, particularly as we approach the debt limit. I have asked for detailed, contemporaneous updates of cost forecasts in order to, among other things, properly verify Treasury's debt limit projections. In response, Treasury officials have told me that those projections are "highly market sensitive" and, at times, cannot be shared with Congress. Yet I have

to assume that a number of officials at Treasury and probably the Fed have access to this sensitive data.

I am not aware of any special security clearance assigned to these individuals. It is evidently the position of the administration that there are times where it is neither Congress's nor the American people's business to know how much cash Treasury expects to have in the Federal till. This needs to change. Given my oversight responsibilities as chairman of the Senate Finance Committee, I am always interested in preserving the integrity and efficiency of markets for Treasury securities.

Unfortunately, under our laws, regulatory and oversight authority with respect to those markets spreads far and wide with responsibilities spanning across the Treasury, the Fed, the Securities and Exchange Commission, the Commodities Future Trading Commission, and an alphabet soup of other groups. As we saw with the most recent financial crisis, this type of balkanization of authority inevitably leads to ineffective oversight and regulation.

When problems arise, all the various parties point their fingers at each other. Everyone has authority, yet no one ends up being accountable.

Unfortunately, the so-called Dodd-Frank legislation did not fix any of these problems. In fact, I would argue, all it did was give existing regulators yet more authority and of course added a few more acronyms into the mix.

All of this is relevant to current discussion about the debt limit because it speaks to the overall management of our Nation's debt and the lack of transparency among all these agencies. I can cite numerous examples where a lack of communication and accountability has been problematic. For now, I will briefly mention three such instances.

First, in 2013, Treasury began auctioning something called a "floating rate note," the first new Treasury security since inflation protection securities were introduced more than 15 years ago. This was a significant debt management decision. Yet very little information was shared with the Senate Finance Committee, even though Treasury had many discussions about the new note with representatives from large financial firms.

Second, Treasury recently decided again—after several meetings with large banks—that an average cash balance for the Federal Government of around \$50 billion per day was too low and that going forward the balance would need to be \$150 billion or more. Once again, prior to that decision being finalized, there was no communication from Treasury to the Senate Finance Committee.

Third, on one particular day in October of 2014, there were unusual and difficult-to-explain events in markets for Treasury securities. While all the various regulators and interest groups have issued staff reports and have held meetings and seminars relating to the

apparent volatility demonstrated by these events, I am not aware of any outreach or information sharing with the members or staff of the Senate Finance Committee.

Again, these are just three examples. There are certainly others, and all of them demonstrate that this administration is far too often unwilling to even provide simple updates about its debt management policies—all while insisting that Congress repeatedly raise the debt limit without asking questions or attaching reforms. This also needs to change. If the administration is going to continue to demand that Congress act to increase the debt limit, then it should, at the very least, be more forthcoming about its policies and decisionmaking when it comes to managing our debt.

While I agree we cannot and should not risk defaulting on our debt or obligations, it is essential that Congress receives a complete picture from the administration about its debt management policies. Therefore, I want to make clear to Treasury—and other agencies with responsibilities in this area—that there is an imminent need for improved communication and increased transparency on these matters.

As chairman of the Senate Finance Committee, I intend to do all I can to ensure greater accountability. That may include more hearings with officials brought before the committee or legislation to require more information flows between the administration and Congress. Ultimately, what specific actions we take will depend on the administration's ability to cooperate.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I ask unanimous consent to address the Senate as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL DEFENSE AUTHORIZATION ACT

Mr. McCAIN. Mr. President, as we speak—as I am speaking on the floor of the Senate—in an act of stunning partisan politics, President Obama, the Commander in Chief of the U.S. Armed Forces, has decided he will veto the National Defense Authorization Act. He is choosing to hold our military hostage for a domestic political agenda, and he is doing so at a time when the crises we face around the world have never been greater, when U.S. leadership has never been weaker, and when our men and women in uniform need vital resources to defend and secure the Nation.

As I said, in an act of stunning partisan politics, President Obama, the Commander in Chief, has decided he will veto the national defense authorization bill, and he is right now in the act of doing so—holding our military hostage for his domestic political agenda.

I have been in the Senate and the House for a long time. I have never

seen an act of blatant partisanship with disregard for the men and women who are serving in the military than what the President is doing as we speak. For 53 years, Congress has fulfilled its constitutional duty to provide for the common defense by passing the National Defense Authorization Act. For 53 consecutive years, both bodies have passed, and the President has signed into law, the National Defense Authorization Act. In all my years, I have never witnessed anything so misguided, cynical, and downright dangerous as vetoing the Defense authorization for reasons that have nothing to do with defense—nothing to do with defense.

Presidents throughout history—Republicans and Democrats alike—have recognized the importance of this bill to our national defense. In the more than 50 years since Congress has passed an NDAA, a National Defense Authorization Act, the President of the United States has only vetoed the act four times. In each case, the President objected to an actual provision in the bill, and each time the Congress was able to find a compromise that earned the President's signature.

Let's be clear. The President's veto of this year's bill is not over any of its policies, it is over politics. In the President's case, politics has taken precedence over policies, and when we are talking about the lives of the men and women who are serving this Nation in uniform—disgraceful. For the first time in history, the Commander in Chief will sacrifice national security for his larger domestic political agenda.

This veto will not resolve the spending debate; it will not stop sequestration. That is something that can only be done through the appropriations process, not a defense authorization bill.

Our soldiers, sailors, airmen, and marines have answered the call to protect our Nation. They want and need support. They don't care what budget category that support comes from. I wish to point out we authorized exactly the amount of money the President requested.

This is a Washington game. All the men and women who are serving in the military care about is that their mission is fully resourced. With this veto, their mission will not be fully resourced. We will put their lives in greater danger because of this political game of the President—holding the military men and women hostage for his agenda to fund the IRS and the EPA.

The legislation the President vetoed today authorizes the overall amount for defense that he requested, every single dollar of it.

By making clear that he will "not fix defense without fixing non-defense